

NOTE FOR THE RECORD

FROM:

[redacted]
Chief, Retirement Division

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SUBJECT: Discussion with Andy Ruddock Regarding the Stevens/
Roth Supplemental Retirement Bill

1. In a discussion with Andy Ruddock today, he advised that the Stevens/Roth bill was being amended to give new employees and option to contribute 1.3% of salary to the defined benefit portion of the plan to:

- (a) permit retirement at age 55 with 30 years of service with unreduced benefit;
- (b) receive an accrual rate of 1.1% for first ten years of service and 1.35% for all years over 10;
- (c) reduce the thrift plan option for these employees to 50 cents per dollar up to first 6% in contributions;

Employees not electing to contribute 1.3% would:

- (1) be able to retire at 62 with unreduced benefit
- (2) receive an accrual rate of .9% for first fifteen years of service and 1.1% of all years were fifteen;
- (3) maintain original thrift plan option of full matching up to 5% of employee contributions.

2. The special classes (law enforcement, etc.) would be able to retire at age 50 with 20 years of service, or at any age with 25 years service and would also receive a supplemental equal to Social Security from time of retirement to age 62.

3. Structurally, this gets closer to what we are seeking but the formula is still insufficient for our needs for people to retire voluntary at early ages. I also called [redacted] to see if she had any additional information. [redacted] had just received a copy of the revised Stevens/Roth proposal and was having copies made. We now have a copy (attached) and are analyzing to see if any other substantive changes.

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